TESTIMONY OF

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Mr. Chairman, I am George Braley, Acting Administrator for the U.S Department of Agriculture's Food and Nutrition Service (FNS). It is my pleasure to appear before the subcommittee this afternoon as you review the Department's commodity nutrition assistance programs and consider how these vital programs can be enhanced.

The Department of Agriculture is very proud of its commodity programs and the role they play in supplementing and supporting our other nutrition assistance programs. Of course the commodity programs

are equally important to American farms and ranches because they provide the Department with a means to stabilize agricultural markets.

Currently, FNS provides nutritious commodities to meal service operations such as the National School Lunch and Breakfast Programs, the Child and Adult Care Food Program, the Summer Food Service Program, and Nutrition Programs for the Elderly. Commodity support for these programs is currently 1.1 billion pounds of food. We also provide low-income persons with commodities for consumption at home through the Food Distribution Program on Indian Reservations, the Commodity Supplemental Food Program, The Emergency Food Assistance Program (TEFAP), and in cases of natural disasters.

Mr. Chairman, I understand that this subcommittee may soon consider legislation to increase funds for food distribution through The Emergency Food Assistance Program (TEFAP), by reallocating up to \$40 million in unspent Food Stamp Program Employment and Training Funds (E&T) each year. The reallocation would allow additional TEFAP commodities to be purchased and distributed above and beyond the dollar amount currently specified in Section 27 of the Food Stamp Act. This reallocation would increase TEFAP outlays up to \$40 million per year.

The Department is proud of the food assistance TEFAP has provided over the last 20 years and appreciates the continued support of this Subcommittee. As you know, the popular TEFAP program got its start during the Administration of former President Ronald Reagan as a common sense approach to tap bulging Government warehouses full of cheese and other dairy products and make these surplus commodities available to America's needy. Since its inception, TEFAP has played a key role in supplementing our other food assistance programs by providing commodities for soup kitchens, food banks, and food pantries. In addition, since these emergency food organizations typically distribute large quantities of foods donated by the private sector as well as by USDA, TEFAP administrative funds provide scarce cash needed by these programs for an effort that is far larger than just USDA contributions.

As we review the needs of TEFAP this afternoon, it is important to reflect on how the program has evolved over time. States no longer have "mass distribution" systems; instead, they rely heavily on food banks, soup kitchens, and food pantries to reach people who are in need of food.

Congress has provided a more stable funding base for buying commodities under TEFAP, with a level of about \$100 million available for "direct purchase" commodities, and, for the last several years, substantial bonus commodities as well. The most recent infusion of bonus commodities is a consequence of the Agriculture Risk Protection Act of 2000, P.L. 106-224, which provided the Department with an additional \$200 million to assist depressed farm markets and to donate to our domestic food programs, including TEFAP.

Mr. Chairman, the Department appreciates the intent of your proposed bill and we pledge to work with you to explore ways to help our partners, such as America's Second Harvest and the Society of St.

Andrew, reach needy Americans in need of food assistance. At the same time that we consider the best ways to meet the needs of TEFAP, we also want to make sure we can do so without adversely impacting States' ability to provide employment and training opportunities to able-bodied adults without dependents (ABAWDs). ABAWDs are subject to a three-month food stamp participation limit and comprise an especially vulnerable and hard-to-serve population and are rarely eligible for other benefits. Presently, the Secretary of Agriculture is authorized by

Congress to reallocate unspent E&T funds appropriately and equitably among the States to ensure adequate ABAWD funding in future years. Mr. Chairman, like you, the Administration remains committed to working with the States to ensure that all Americans able to reach independence and enter the workforce be given the support and encouragement to do so. We need to be careful that we do not hinder States' options and opportunities to provide employment and training services for those unemployed individuals.

USDA would be pleased to work with you and the Subcommittee to ensure that available resources are targeted wisely in support of our nation's nutrition assistance programs. All the Food and Nutrition Service programs are important to the people they serve, and our nutrition programs are the cornerstones for reaching our goals of eliminating hunger and improving the nutrition and health of Americans.

That concludes my testimony, Mr. Chairman. I would be happy to answer any questions.